

**Assembly Bill No. 2173**

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Passed the Assembly August 25, 2010

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*Chief Clerk of the Assembly*

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Passed the Senate August 24, 2010

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2010, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add and repeal Section 76000.10 of the Government Code, relating to emergency services.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2173, Beall. Emergency medical air transportation providers: penalty levy: reimbursement augmentation.

Existing law requires an additional county penalty of \$7 for every \$10, or part of \$10, to be levied upon every fine, penalty, or forfeiture imposed and collected by the courts for all criminal offenses, for deposit into specified county funds relating to the construction of courthouses, criminal justice facilities, and forensic laboratories, and the support of emergency medical services.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which health care services, including medical transportation services, are provided to qualified low-income persons. The Medi-Cal program is partially governed and funded under federal Medicaid provisions.

Existing law, the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, authorizes each county to designate an emergency medical services agency, for the establishment and administration of an emergency medical services program in the county. Existing law also establishes the Emergency Medical Services Authority, which, among other things, adopts regulations governing the provision of emergency medical services.

This bill, which would be known as the Emergency Medical Air Transportation Act, would impose an additional penalty of \$4 upon every conviction for an offense involving a vehicle violation, except certain parking offenses. This bill would require each county board of supervisors to establish in the county treasury an emergency medical air transportation act fund into which the penalty collected pursuant to this bill would be deposited. This bill would require, within 30 days following the last day of each calendar quarter of the year, the county treasurer to transfer moneys in the county's emergency medical air transportation act fund to

the Controller for deposit into the Emergency Medical Air Transportation Act Fund, which would be established by the bill. The bill would authorize the county treasurer, prior to transferring the moneys in the county fund to the Controller, to withhold a sufficient amount from being transferred to reimburse the county and the courts for their actual, reasonable, and necessary costs associated with administering the bill. Moneys in the Emergency Medical Air Transportation Act Fund would be available, upon appropriation by the Legislature, to the department for the purposes of offsetting the state portion of the Medi-Cal reimbursement rate for emergency medical air transportation services and augmenting emergency medical air transportation reimbursement payments made through the Medi-Cal program, as specified.

This bill would terminate assessment of the penalties commencing July 1, 2016, and would repeal these provisions on January 1, 2018, as provided. The bill would require that any moneys in the Emergency Medical Air Transportation Act Fund that remain unexpended and unencumbered on June 30, 2017, shall be transferred to the General Fund to be available, upon appropriation by the Legislature, for the purposes of augmenting Medi-Cal reimbursement of emergency medical air transportation and related costs, generally.

By requiring counties to create emergency medical air transportation act funds and then deposit the levy imposed by this bill into those funds, this bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares all of the following:

(a) Air ambulance services provide lifesaving emergency transportation of the most critical patients from automobile accident

scenes directly to trauma centers. The vast majority of helicopter scene responses are motor vehicle related.

(b) Many of these transports originate in rural areas where ground transportation is prolonged. In some instances, however, air transportation may be needed in urban areas where traffic congestion inhibits rapid transportation.

(c) Air ambulance services providers transport all emergency patients without knowing if the patient has any form of medical insurance or ability to pay for the service.

(d) Many emergency patients transported by air ambulances have no insurance and no ability to pay for the service, but these patients are given the same high level of care as those with medical insurance.

(e) Unlike the hospitals where air ambulance services providers deliver patients, air ambulance services providers are not eligible to apply for additional federal funding for providing services to high numbers of indigent patients pursuant to California's disproportionate share hospital (DSH) program under the Medi-Cal program.

(f) Unlike the hospitals and emergency physicians who treat the patients after they are delivered by helicopter, air ambulance services providers do not receive payment from the county Maddy Emergency Medical Services Fund when they provide treatment to an indigent patient.

(g) Emergency air ambulance services providers provide coverage to multiple counties within a 100-mile radius of their bases, and, as a result, often their transports originate in a county other than where they are based, which makes it virtually impossible for them to be funded by local tax support except in the largest of counties.

(h) The Medi-Cal program reimburses air ambulance services providers far below what it costs the providers to provide emergency air transportation and pays nothing if the patient is indigent and not eligible for Medi-Cal. The Medi-Cal reimbursement rates for air ambulances have not increased in over 15 years.

(i) Currently fines and penalties on traffic violations total between one hundred eight dollars (\$108) and nineteen-thousand dollars (\$19,000), inclusive. Some of the fine and penalty money is already collected by county courts and transferred to the state.

(j) A small additional penalty of four dollars (\$4) per traffic violation would result in a very small percentage increase on each penalty on traffic violations, but the money collected from the penalty would go to support air ambulance services, which are the most critical services that support patients who are injured as a result of a major collision.

(k) Air ambulance services play a key role in the statewide emergency medical services system, including disaster response and homeland security, so it is important for California to support these vital services.

SEC. 2. Section 76000.10 is added to the Government Code, to read:

76000.10. (a) This section shall be known, and may be cited, as the Emergency Medical Air Transportation Act.

(b) For purposes of this section:

(1) “Department” means the State Department of Health Care Services.

(2) “Director” means the Director of the State Department of Health Care Services.

(3) “Provider” means a provider of emergency medical air transportation services.

(4) “Rotary wing” means a type of aircraft, commonly referred to as a helicopter, that generates lift through the use of wings, known as rotor blades, that revolve around a mast.

(5) “Fixed wing” means a type of aircraft, commonly referred to as an airplane, that generates lift through the use of the forward motion of the aircraft and wings that do not revolve around a mast but are fixed in relation to the fuselage of the aircraft.

(6) “Air mileage rate” means the per-mileage reimbursement rate paid for services rendered by rotary-wing and fixed-wing providers.

(c) (1) For the purpose of implementing this section, a penalty of four dollars (\$4) shall be imposed upon every conviction for a violation of the Vehicle Code or a local ordinance adopted pursuant to the Vehicle Code, except parking offenses subject to Article 3 (commencing with Section 40200) of Chapter 1 of Division 17 of the Vehicle Code.

(2) The penalty described in this subdivision shall be in addition to the state penalty assessed pursuant to Section 1464 of the Penal Code. However, this penalty shall not be included in the base fine

used to calculate the state penalty assessment pursuant to subdivision (a) of Section 1464 of the Penal Code, the state surcharge levied pursuant to Section 1465.7 of the Penal Code, Section 70372 of the Government Code, and to calculate the other additional penalties levied pursuant to this chapter.

(d) The county board of supervisors shall establish in the county treasury an emergency medical air transportation act fund into which shall be deposited the moneys collected pursuant to this section. Moneys in each county's fund, including interest and dividends earned thereon, shall be held by the county treasurer separate from funds subject to transfer or division pursuant to Section 1463 of the Penal Code.

(e) (1) Within 30 days following the last day of each calendar quarter of the year, the county treasurer shall transfer moneys in the county's emergency medical air transportation act fund to the Controller for deposit into the Emergency Medical Air Transportation Act Fund, which is hereby established in the State Treasury. Notwithstanding Section 16305.7, the Emergency Medical Air Transportation Act Fund shall include interest and dividends earned on money in the fund. Prior to the transfer of funds from the county's emergency medical air transportation act fund to the state, the county treasurer may withhold a sufficient amount from the fund to reimburse the county and the courts for their actual, reasonable, and necessary costs associated with administering this section. To the extent moneys are withheld by the county treasurer, an accounting report detailing these costs shall be sent to the department at least once per calendar year.

(2) The Emergency Medical Air Transportation Act Fund shall be administered by the State Department of Health Care Services. Moneys in the Emergency Medical Air Transportation Act Fund shall be made available, upon appropriation by the Legislature, to the department to be used as follows:

(A) For payment of the administrative costs of the department in administering this section.

(B) Twenty percent of the fund remaining after payment of administrative costs pursuant to subparagraph (A) shall be used to offset the state portion of the Medi-Cal reimbursement rate for emergency medical air transportation services.

(C) Eighty percent of the fund remaining after payment of administrative costs pursuant to subparagraph (A) shall be used,

to augment emergency medical air transportation reimbursement payments made through the Medi-Cal program, as set forth in paragraphs (3) and (4).

(3) (A) The department shall seek to obtain federal matching funds by using the moneys in the Emergency Medical Air Transportation Act Fund for the purpose of augmenting Medi-Cal reimbursement paid to emergency medical air transportation providers.

(B) The director shall do all of the following:

(i) By March 1, 2011, meet with medical air transportation providers to determine the most appropriate methodology to distribute the funds for medical air services.

(ii) Implement the methodology determined most appropriate in a timely manner.

(iii) Develop the methodology in collaboration with the medical air providers.

(iv) Submit any state plan amendments or waiver requests that may be necessary to implement this section.

(v) Submit any state plan amendment or waiver request that may be necessary to implement this section.

(vi) Seek federal approvals or waivers as may be necessary to implement this section and to obtain federal financial participation to the maximum extent possible for the payments under this section. If federal approvals are not received, moneys in the fund may be distributed pursuant to this section until federal approvals are received.

(C) The director may give great weight to the needs of the emergency medical air services providers, as discussed through the development of the methodology.

(4) (A) Upon appropriation by the Legislature, the department shall use moneys in the Emergency Medical Air Transportation Act Fund and any federal matching funds to increase the Medi-Cal reimbursement for emergency medical air transportation services in an amount not to exceed normal and customary charges charged by the providers.

(B) Notwithstanding any other provision of law, and pursuant to this section, the department shall increase the Medi-Cal reimbursement for emergency medical air transportation services provided that both of the following conditions are met:

(i) Moneys in the Emergency Medical Air Transportation Act Fund will cover the cost of increased payments pursuant to subparagraph (A).

(ii) The state does not incur any General Fund expense to pay for the Medi-Cal emergency medical air transportation services increase.

(e) The assessment of penalties pursuant to this section shall terminate commencing January 1, 2016. Penalties assessed prior to January 1, 2016, shall continue to be collected, administered, and distributed pursuant to this section until exhausted or until June 30, 2017, whichever occurs first. On June 30, 2017, moneys remaining unexpended and unencumbered in the Emergency Medical Air Transportation Act Fund shall be transferred to the General Fund, to be available, upon appropriation by the Legislature, for the purposes of augmenting Medi-Cal reimbursement for emergency medical air transportation and related costs, generally.

(f) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 2 of the Government Code, the department may implement, interpret, or make specific this section and any applicable federal waivers and state plan amendments by means of all county letters, plan letters, plan or provider bulletins, or similar instructions without taking regulatory action.

(g) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

















Approved \_\_\_\_\_, 2010

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*Governor*